



Testimony
before the
House Tourism-Outdoor Recreation
&
Natural Resources Committee

In support of
House Bills
5017 – 5018
5088 – 5089

Steven J. Yencich, CAE
President/CEO

June 23, 2009

This written testimony is to respectfully ask for a unanimous vote for HB 5017-18 and HB 5088-89 in today's Tourism-Outdoor Recreation & Natural Resources Committee Meeting.

MLTA is aware of the extraordinary nature of this request, especially in light of the fact that some of you (as do we) have concerns with a temporary and location-limited tax on car rentals. MLTA recognizes in the give and take of compromise, all must accept some things we do not like to advance the greater good.

We ask you to remember that unemployment is currently at 14% and is projected to go beyond 15.3% soon. Unfortunately, unemployment levels will grow substantially worse if these bills fail to pass.

Tax revenues for FY '10 are pegged at \$6.9 billion, down from \$9.3 billion just last fiscal year. Incredibly, adjusted for inflation, revenue collections are equivalent to those in 1964. But this too will dramatically worsen should the Pure Michigan Funding Package fail to pass.

The substitute before you includes language to lessen the negative impact of HB 5017. The car rental assessment will largely be paid by people from other states, and is limited by both time and location.

We all dislike new taxes. We're just asking you to dislike increased state unemployment levels, and a deeper Michigan recession more.

Beyond Michigan's third largest industry, we honestly do not know where the Legislature can look to grow our state's economy.

Please send a signal to members on the floor, with a unanimous vote in support of all four bills in the Pure Michigan Funding Package.

Respectfully,

A handwritten signature in black ink, appearing to read "Steven J. Yencich". The signature is fluid and cursive, with a large initial "S" and "Y".

Steven J. Yencich, CAE

President/CEO

Michigan Lodging and Tourism Association